

Answers to Questions About the National Flood Insurance Program

This booklet is intended to acquaint the public with the National Flood Insurance Program (NFIP). Despite the highly technical nature of the Program, there has been a deliberate effort to minimize the use of technical terms. This publication is designed for readers who do not need a detailed history or refined technical or legal explanations, but do need a basic understanding of the program and the answers to some frequently asked questions. Readers who need legal definitions should refer to the Standard Flood Insurance Policy and to NFIP and Related Regulations.

The information provided is as current as possible, but changes in the NFIP are made periodically. Readers can obtain the most up-to-date insurance information by using the telephone and address directory at the back of the booklet.

Use of acronyms and initials has been limited, but some terms are used so often the acronyms are practical and of assistance to the reader. The term will be spelled at its first use in the text with the acronym or initials following in parentheses. For readers' convenience, the following is a listing of acronyms and initials that appear in *Answers to Questions About the National Flood Insurance Program*:

CBRA	- Coastal Barrier Resources Act
CBRS	- Coastal Barrier Resources System
CLOMA	- Conditional Letter of Map Amendment
CLOMR	- Conditional Letter of Map Revision
CLOMR-F	- Conditional Letter of Map Revision Based on Fill
CRS	- Community Rating System
FDPA	- Flood Disaster Protection Act
FEMA	- Federal Emergency Management Agency
FHBM	- Flood Hazard Boundary Map
FIA	- Federal Insurance Administration
FIRM	- Flood Insurance Rate Map
FIS	- Flood Insurance Study
ICC	- Increased Cost of Compliance
LODR	- Letter of Determination Review
LOMA	- Letter of Map Amendment



LOMC	- Letter of Map Change
LOMR	- Letter of Map Revision
LOMR-F	- Letter of Map Revision Based on Fill
MT	- Mitigation Directorate
NFIP	- National Flood Insurance Program
NFIRA	- National Flood Insurance Reform Act
OPA	- Otherwise Protected Areas
PMR	- Physical Map Revision
PRP	- Preferred Risk Policy
RCBAP	- Residential Condominium Building Association Policy
SFHA	- Special Flood Hazard Area
SFHDF	- Standard Flood Hazard Determination Form
SFIP	- Standard Flood Insurance Policy
WYO	- Write Your Own

Guide to Answers to Questions About the National Flood Insurance Program

Question Number		Page Number
	Introduction to the NFIP	
1	"NFIP" Defined	1
2-3	"NFIP" History	1
4	"SFHA" Defined	2
5	"Flood" Defined	2
6	"Write Your Own" Defined	3
7	The Role of State Insurance Regulators	3
8	Benefits of NFIP	4
9	"Community" Defined	4
10	Community Participation	4
11	Voluntary Community Participation	5
12	"Emergency Phase" of the NFIP Defined	5
13	"Regular Phase" of the NFIP Defined	5
14	Community Requirements	6
15-18	Community Probation	6
19	Community Suspension	7
20	Ramifications of Non-Participation	7
21-23	Community Rating System	8
	Flood Insurance Information for Prospective Buyers	
24	Who May Purchase Flood Insurance	9
25	Determine Eligibility to Purchase	9
26	Determining if Property is in an SFHA	9
27	Insurable Buildings	10
28	Uninsurable Properties	10
29	Coverage Restrictions for Insurable Buildings	10
30	How to Purchase Flood Insurance	11
31	How Premiums are Calculated	11
32	Mandatory Purchase Requirements	12
33-34	Why is There a Requirement to Purchase	13
35	Lenders Required to Escrow Flood Insurance	13
36-37	Review of Lender's Determination — LODR	14
38	Number of Buildings Per Policy	15

39	Policy Term (Number of Years)	15
40	Minimum Policy Premium	15
41	Waiting Period	15
42	"Presentment of Payment" Defined	16
43	Rating Buildings in Coastal Areas	17
44	"Coastal Barrier Resources System" Defined	17
45	Restrictions of Flood Insurance in CBRS	18
46	Cancellation of Policies	18
47	"Grace Periods"	19
48	Requirements to Purchase Flood Insurance After Receiving Disaster Assistance	19

Coverage

49	Amounts of Coverage Available	21
50	Limitations on Certain Types of Property	21
51	Flood Losses Covered	21
52	Coverage in Basements and Enclosed Areas	22
53	"Basement" Defined	22
54	Subsidence, Sewer Backup, and Seepage	22
55	Deductibles	22
56	Costs of Preventive Measures	23
57	Replacement Cost Coverage	23
58	Additional Living Expenses	24
59-61	Increased Cost of Compliance	24-25

Filing a Flood Insurance Claim

62	How Policyholder Files A Claim for Flood Loss	27
63	"Proof of Loss" Defined	27
64	"Loss in Progress" Defined	27
65	Lack of Coverage for a Loss in Progress	27
66	Maximum Amount Collectible Under an NFIP Policy	27

Floodplain Management Requirements

67	Role of the Community	29
68	State Government Participation	29

69	Federal Requirements Versus State Requirements ...	29
70	"Floodplain Management Measures" Defined	30
71	Effect of These Measures on Existing Buildings	30
72	"Substantial Improvement" Defined	30
73	Construction Outside of SFHAs	31
74	Modifying the Basic Requirements	31
75	Elevating a Structure Within an SFHA	31

Flood Hazard Assessments and Mapping Requirements

76	Difference Between FHBM and FIRM	33
77	Determining Flood Hazard Areas and Levels	33
78	Role of the Community	33
79	"Flood Hazard Zones" Defined	34
80	"Regulatory Floodway" Defined	36
81	Changing or Correcting a FIRM	36
82	"Technical or Scientific Data" Defined	37
83	"Physical Map Revision (PMR)" Defined	37
84	"LOMR-F" Defined	37
85	"LOMA" Defined	37
86	"LOMR" Defined	38
87	"Conditional Map Revision" Defined	38
88	Contacts to Initiate a LOMA, LOMR or PMR	39
89	Time Frames for LOMA, LOMR or PMR	39
90	Effect of LOMA, LOMR-F or LOMR on Flood Insurance	40
91	Terminating Flood Insurance After Map Change	40
92	Burden of Proof on Requestor	41
93	Fees Assessed for Map Change Requests	41
94	Purpose of Application/Certification Forms	41
95	How to Obtain Technical Data Used on Maps	42
96	Effect of a Presidential Disaster Declaration on the NFIP	43
97	Mitigation Opportunities Following a Presidential Disaster Declaration	43
98	Mitigation Programs Associated with a Presidential Disaster Declaration	43



NFIP Address and Phone Directory

NFIP General Program Information	45
FEMA Regional Offices	47
State Coordinating Agencies for Flood Insurance	51

Additional Reading

List of Available Publications	61
Address for Ordering NFIP Publications	63
Address for Obtaining CRS Coordinator's Manual	63